

ITEL

Pullman

October 2, 1989

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INTERSTATE COMMERCE COMMISSION

2756-22

Itel Rail Corporation

55 Francisco Street
San Francisco, California 94133
(415) 984-4000
(415) 781-1035 Fax

Hon. Noreta R. McGee
Secretary
Interstate Commerce Commission
Washington, DC 20423

Re: Assignment Agreement dated as of July 1, 1989, between
Itel Rail Corporation and East Camden and Highland
Railroad Company ("EACH")

Dear Ms. McGee:

On behalf of Itel Rail Corporation, the above instrument, in
three (3) counterparts, is hereby submitted for filing and
recording pursuant to 49 U.S.C. section 11303(a), along with the
\$15 recordation fee.

Please record this Assignment under the Lease Agreement dated
April 26, 1978, between Itel Rail Corporation and East Camden
and Highland Railroad Company, which was filed with the ICC on
October 11, 1978, under Recordation No. 9756.

The parties to the aforementioned instrument are listed below:

Itel Rail Corporation (Lessor)
55 Francisco Street
San Francisco, California 94133

East Camden and Highland Railroad Company (Lessee)
P. O. Box 3180
East Camden, Arkansas 71701

This Assignment assigns EACH's rights as sublessor in and to
two sublease agreements with the Green Bay and Western Railroad
Company to Itel Rail.

Please return to the undersigned the stamped counterparts not
required for filing purposes, together with the ICC fee receipt
and acknowledgment letter.

Very truly yours,

Patricia Schumacker

Patricia Schumacker
Legal Assistant

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ASSIGNMENT AGREEMENT

INTERSTATE COMMERCE COMMISSION

THIS ASSIGNMENT AGREEMENT ("Assignment Agreement") is made as of the 1st day of July, 1989, by and between EAST CAMDEN AND HIGHLAND RAILROAD COMPANY ("EACH") and ITEL RAIL CORPORATION ("Itel Rail").

RECITALS:

- A. Itel Corporation, Rail Division, predecessor in interest to Itel Rail, and EACH entered into the Lease Agreement dated as of April 26, 1978, as amended, whereunder Itel Rail leased to EACH a number of boxcars, including one hundred (100) boxcars that were remarked to GBW 10000-10099 (the "Cars").
- B. EACH subleased the Cars to the Green Bay and Western Railroad Company ("GBW") pursuant to two sublease agreements dated October 21, 1981, as amended, (the "1981 Sublease") and October 6, 1983, as amended (the "1983 Sublease"), between EACH and GBW.
- C. By letter dated November 11, 1986, the Cars bearing the reporting marks GBW 10002 and GBW 10025 were terminated from the 1981 Sublease. On June 6, 1984, the Car bearing the reporting mark GBW 10099 which had been subject to the 1983 Sublease, was remarked to bear the reporting marks of EACH.
- D. EACH desires to assign its rights and obligations, as sublessor, to Itel Rail and Itel Rail desires to assume such rights and obligations.

NOW, THEREFORE, the parties hereby agree as follows:

- 1. Effective as of July 1, 1989, EACH hereby assigns all of its duties, obligations, rights, interest and power, of any form or nature, which are created by or arise pursuant to the 1981 Sublease and the 1983 Sublease (hereinafter referred to together as the "Subleases"), and the Subleases themselves, to Itel Rail, and Itel Rail hereby accepts such assignment and assumes and agrees to perform all of EACH's obligations and duties under the Subleases which are by their terms to be performed after the date hereof.
- 2. EACH hereby agrees that it will, from time to time and at all times, at the request of Itel Rail, its successors and assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and to do such further acts and things as may be necessary and appropriate to give effect to the provisions set forth herein.
- 3. EACH acknowledges that this Assignment Agreement does not release it from any liabilities it may have with respect to, or arising out of, the Subleases prior to the effective date hereof.

4. The covenants, conditions and provisions herein contained shall apply to and bind the successors and assigns of all the parties hereto.
5. This Assignment Agreement contains the entire agreement of the parties concerning the subject hereof, and no provisions hereof may be modified, waived or amended except by a writing signed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment Agreement to be executed as of the day and year first above written.

EAST CAMDEN AND HIGHLAND
RAILROAD COMPANY

By: Ray E. LeDette

Title: President

ITEL RAIL CORPORATION

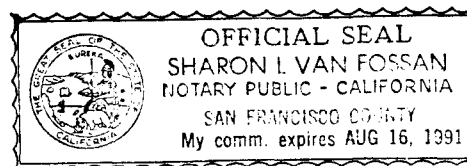
By: DD Hayes

Title: President and Chief Executive

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN FRANCISCO)

On this 13th day of September, 1989, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn says that such person is President and Chief Executive Officer of Itel Rail Corporation, that the foregoing Assignment Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Sharon L. Van Fossan
Notary Public



STATE OF ARKANSAS)
) ss:
COUNTY OF CALHOUN)

On this 11th day of September, 1989, before me personally appeared Roy E. Ledbetter, to me personally known, who being by me duly sworn says that such person is President of East Camden and Highland Railroad Company that the foregoing Assignment Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Melba J. Turner
Notary Public
My Commission Expires June 18, 1995